

EXECUTIVE SECRETARIAT **ROUTING SLIP**

TO:

		ACTION	INFO	DATE	INITIAL
1	DCI		X		
2	DDCI		X		
3	EXDIR		X		
4	D/ICS		X		
5	DDI		X		
6	DDA				
7	DDO	X			
8	DDS&T				
9	Chm/NIC				
10	GC				
11	IG				
12	Compt		X		
13	D/OLL		X		
14	D/PAO				
15	VC/NIC				
16	C/LA/DO		X		
17	C/CPN/DO		X		
18	NIO/CT		X		
19	NIO/LA		X		
20	D/ALA/DI		X		
21	ER				
22					

SUSPENSE _____ Date _____

Remarks

Please replace this copy for document under same control number sent to your office on 2 Aug 85, page 6 was missing.

Executive Secretary
6 Aug 85

Date

3637 (10-81)

STAT

August 5, 1985

Please find a complete
copy of package #6002
entitled "Supplemental
Assistance to Safe-
guard U.S. Interest in
Central America". We
are very sorry for
any inconveniences.

Thank-you,
NSC/Secretariat

EXECUTIVE SECRETARIAT
ROUTING SLIP

TO:

		ACTION	INFO	DATE	INITIAL
1	DCI		X		
2	DDCI		X		
3	EXDIR		X		
4	D/ICS		X		
5	DDI		X		
6	DDA				
7	DDO	X			
8	DDS&T				
9	Chm/NIC				
10	GC				
11	IG				
12	Compt		X		
13	D/OLL		X		
14	D/PAO				
15	VC/NIC				
16	C/LA/DO		X		
17	C/CPN/DO		X		
18	NIO/CT		X		
19	NIO/LA		X		
20	D/ALA/DI		X		
21	<i>EX</i>				
22					

SUSPENSE

Date

Remarks

Executive Secretary

2 August 85

Date

3637 (10-81)

~~CONFIDENTIAL~~

6002

THE WHITE HOUSE

WASHINGTON

Executive Registry

85- 3043

August 1, 1985

CONFIDENTIAL

MEMORANDUM FOR THE HONORABLE GEORGE P. SHULTZ
The Secretary of State

THE HONORABLE JAMES A. BAKER III
The Secretary of Treasury

THE HONORABLE CASPAR W. WEINBERGER
The Secretary of Defense

THE HONORABLE EDWIN MEESE III
The Attorney General

THE HONORABLE JOSEPH WRIGHT
The Director, Office of Management and Budget
(Acting)

THE HONORABLE WILLIAM J. CASEY
The Director of Central Intelligence

GENERAL JOHN W. VESSEY, JR.
Chairman, Joint Chiefs of Staff

SUBJECT: Supplemental Assistance to Safeguard U.S.
Interests in Central America (C)

In accord with the provisions of National Security Decision Directive 176 (NSDD-176), a \$53M FY-85 regional counter-terrorism-supplemental for Central America is hereby approved. The interagency program at Tab A should be used as a guideline for implementation. The Department of State, in coordination with the Departments of Treasury, Defense, Justice, the OMB, CIA, and the JCS, should, therefore, commence immediate consultations with the Congress in order to obtain requisite resources during September 1985. (C)

An interagency team should be established to prepare appropriate Congressional presentation and support materials for use when the Congress reconvenes after Labor Day. As lead agency, the State Department should also designate a point of contact for devising necessary internal arrangements for expeditious implementation of this program once funding has been approved. (C)

CONFIDENTIAL
Declassify: OADR

~~CONFIDENTIAL~~

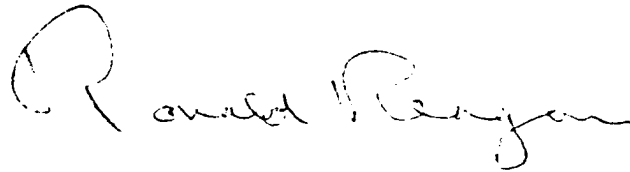
0 352

~~CONFIDENTIAL~~

CONFIDENTIAL

2

In presenting our proposal for the Regional Counter-terrorism Program, efforts should be made to address this issue in a manner that does not prejudice a subsequent effort to obtain broader, more substantial economic and military assistance funding for Central America and other critical front-line states during FY-86. (C)

A handwritten signature in cursive script, reading "Ronald Reagan". The signature is written in dark ink and is positioned in the center-right of the page.

Attachment

Tab A - Regional Counter-terrorism Program

CONFIDENTIAL

~~CONFIDENTIAL~~

CONFIDENTIALREGIONAL COUNTER-TERRORISM PROGRAM

	<u>Military Support</u> (\$ millions)	<u>Police Support</u> (\$ millions)
El Salvador	10	12
Honduras	5	6
Costa Rica	6	3
Guatemala	2	3
Panama	<u>4</u>	<u>2</u>
TOTALS	27	26

PROGRAM TOTAL: \$53.00

Both the military support and the police support components offer training with a view towards improving counter-terrorism capabilities of the host government. Each has a training element and an equipment support element. The military support component would be managed by the Department of Defense under MAP funding and existing statutory authority. The Department of Justice would take the lead in coordinating oversight of the police support component -- drawing on Treasury and other facilities, expertise, and assistance as appropriate -- and coordinating the integration of this new effort with ongoing, related programs. Civilian law enforcement professionals engaged in training would help identify appropriate commodity support to the respective police forces. Such support would include vehicles, communications equipment, supplies, and possibly arms. We envision using Department of Defense assets to expedite procurement and delivery of commodities. This training and equipment support would be funded under the heading of counter-terrorism assistance.

In developing the training component of the program, program managers would ensure that new activities are coordinated with ongoing training, and would include:

- Training (mostly out-of-country) in police management and specialized investigative skills, as well as instructor training to enable local police trainers to improve their instruction at in-country police academies in basic law enforcement operations.

- Training and equipment for special anti-terrorism and hostage rescue units.

CONFIDENTIAL

CONFIDENTIAL

Page 2

- Training in intelligence collection and analysis.
- Training and equipment for bomb detection, protection, and defusing.
- Training and equipment in surveillance and counter-surveillance techniques.
- Training, equipment, and vehicles for mobile police patrol operations against terrorist activity.
- Training and equipment for border security directed specifically towards identification and apprehension or exclusion of terrorists.
- Training and equipment for public building security.
- Basic commodities support for improved and more effective police operations.

COUNTRY-SPECIFIC PROGRAMS:

El Salvador:

This country faces the most critical terrorist threat in the region and thus would receive the largest share of the funds available under this program. The murder of six U.S. citizens, among them four Marines, and seven others on June 19 was a graphic demonstration of the ability and willingness of the guerrilla forces to engage in acts of brutal terrorism. There are strong indications that the guerrillas intend to step up such attacks in reaction to their declining fortunes and increasing difficulties in the countryside. El Salvador's new democracy faces a serious danger from escalating urban terrorism and leftist-instigated labor and student unrest. The means available to the government to combat this danger to its stability are woefully inadequate. By strengthening those units responsible for public security, we will be adding to the government's ability to act effectively against the immediate terrorist threat and contributing to its long-term stability by professionalizing these forces.

We propose to employ \$22 million for El Salvador under this program. These funds would address several pressing needs. Among the most serious shortcomings are ineffective command and control; inadequate weaponry; and extremely poor mobility, particularly among the security forces. These deficiencies

CONFIDENTIAL

CONFIDENTIAL

Page 3

have been regularly exploited by terrorist elements. To begin to address the communications problem, at least \$4.7 million should be invested in equipment, \$3.1 million for public security forces and \$1.6 million for military units. Although significantly more is needed for improved weaponry, \$2.1 million would provide basic equipment and permit transition to M16 rifles for selected public security forces. To increase the ability of these forces to respond rapidly to criminal acts requires the expenditure of at least \$3.9 million on vehicles, most of which would be dedicated to the security forces.

Special operations have proven increasingly effective against the guerrillas in the city and the countryside. Operations using Hughes 500 Scout aircraft supported by helicopter gunships have been most successful. Special units now in existence are well trained, but some serious equipment limitations exist. A planned force expansion of one such unit to permit simultaneous deployment of reconnaissance and ambush teams will exacerbate equipment shortages. We propose an expenditure of \$8.2 million for the expansion of these special units. Of these funds, \$4.5 million would go for purchase of aircraft support, \$1.5 million for fast patrol craft, and \$.7 million for night vision equipment.

Guatemala:

This country is in a period of transition from military rule to civilian democratic government. Presidential elections are scheduled for November 3, and all indications are that they will be held on schedule. The new government will take office in January 1986. We strongly support this process of democratization. This transitional period, however, presents opportunities for extremists bent on derailing a process inimical to their interests. By including Guatemala in our proposal for combatting terrorism, we seek to reinforce the ability of the Guatemalan Government to deal with anti-democratic terrorists as well as reiterate our support of that government's decision to go forward with elections and the transfer of power on schedule.

Our initial assessment is that 60 percent of the funds available for Guatemala under this option should be dedicated to support for civilian police and 40 percent to support for military units. Police support would be heavily weighted in favor of equipment (80 percent), while funds dedicated to military support would be evenly divided between training and equipment.

CONFIDENTIAL

CONFIDENTIAL

Page 4

The greatest immediate training needs in Guatemala include instruction for information management (data processing) specialists, for explosive ordnance demolition squads, for the hostage reaction force, and for the use and maintenance of airport x-ray equipment.

The most important equipment needs include: vehicles for use by the police; specialized equipment for dealing with a hostage situation; communications equipment for a hostage emergency reaction force; computer terminals to be installed at major border crossing points, the international airport, and immigration and police headquarters; equipment for bomb squads; new x-ray detection machines to be used at the International Airport; and secure communications equipment for police, both mobile and fixed, to be used in both Guatemala City and in the departmental capitals.

Honduras:

A nascent democracy with developing democratic institutions, Honduras continues to be a target of Cuban and Nicaraguan-supported subversion. The terrorist threat in Honduras has been highlighted by the capture in September of 19 members of a Nicaraguan-supported subversive organization, the bombing in March of a discoteque frequented by U.S. personnel, and recent indications of Nicaraguan support for planned terrorist activities targeted against U.S. personnel. Honduran national elections scheduled for November 1985 could provide an opportunity for efforts by the radical left to disrupt the country's fragile electoral system. The proposed anti-terrorism assistance will provide critically-needed training and equipment to enable the Government of Honduras both to deter and to cope effectively with terrorist threats. This assistance will complement our ongoing Anti-Terrorism Assistance Program, and the GOH's efforts -- strongly supported by the United States -- to strengthen the judicial system.

We propose that a larger portion of the resources available for Honduras be dedicated to civilian police, i.e., \$6 million versus \$5 million for military uses. However, we believe that similar portions of each amount should be allocated to training (45 percent), equipment (35 percent) and mixed training/equipment, i.e., maintenance training and spare parts (20 percent).

In considering programs of greatest value, we propose that the development of training courses, with appropriate instructional materials, be considered at the three National

CONFIDENTIAL

CONFIDENTIAL

Page 5

Police schools and at the Armed Forces Command and Staff School. These courses could include, but would not be limited to: crisis control - senior level, on-site crisis management, police administration, criminology, protection of persons, building and airport security.

The most immediate equipment needs include three-quarter and one-ton trucks for troop and equipment transport, smaller four-wheel drive trucks for small teams, police motorcycles, and specially equipped vehicles for response to hostage incidents. There is an urgent need for reliable vehicles by the National Police which, more often than not, has no working vehicle with which to respond to emergencies. Communications equipment, to include high frequency and patrol radios and video monitoring equipment is needed. A criminological laboratory for use at DNI and training lab for use in police school would make a significant contribution to improving these forces.

Costa Rica:

Worsening border incidents with the Sandinista Armed Forces, and the growing perception that neither Contadora nor the OAS will provide any relief have compelled the GOCR to accelerate the improvement of its defense capabilities. Consequently, the GOCR has requested rapid delivery of security assistance items already ordered. Costa Rica authorities have staunchly defended the formation and training of the country's first Immediate Reaction battalion, and the Costa Ricans have again increased their presence on the Nicaraguan border (to the detriment of law and order on the streets of San Jose).

Since there is not a clear division between military and police in Costa Rica, the following split is suggestive only.

--\$6.0 million for equipment to continue upgrading the Civil Guard; these funds would complete the reequipping that began in FY-84. The GOCR has requested this equipment in the past, but we were unable to include them because of budget constraints.

-- \$3.0 million for Rural Guard, Judicial Police, and airport security.

CONFIDENTIAL

CONFIDENTIAL

Page 6

-- Bell 212 helicopter (\$3.5 million). Costa Rica currently has two four-seat Hughes 500 E's. This fifteen-seat helicopter is required for logistical support and troop movement to remote areas.

-- Wheeled vehicles (\$1.6 million). The Civil Guard remains desparately short of wheeled transportation. Without additional vehicles, the GOCR's capability to shift forces around the country will remain extremely limited.

-- Troop support equipment, boots, uniforms, etc. (\$.9 million). This ongoing requirement remains a priority given the wear and tear of a tropical environment.

Specific programs involving the Judicial Police and Ministry of Public Security units should include training in explosive ordnance, data management, crime scene analysis, evidence control, techniques of instruction, police administration, and riot control. Equipment support would include both mobile and fixed secure communications, computer terminals at border control points, patrol and off-road police vehicles, laboratory equipment, riot gear, and bomb disposal equipment.

Panama:

Panama has the greatest potential exposure in the region to terrorism seriously damaging to significant US national interests. Over 40,000 U.S. military personnel, civilian employees, dependents and other citizens live and work in a small area. Major U.S. bases cannot be sealed off entirely from public access. Panama Canal installations, over thirty ships of all nations a day (two-thirds bound to or from U.S. ports), an oil pipeline serving the U.S. East Coast and over a hundred thirty major banks, invite attention to Panama. Economic distress, and a difficult restoration of directly-elected executive and legislature after 16 years create unsettled politics in which violence is possible. Drug traffickers add violent criminal acts to the exposure. The exposure of U.S. citizens and interests makes strengthening local anti-terrorist capabilities in our own interest as much as it is in Panama's.

A single institution, the Panama Defense Forces (PDF) has both military and police responsibilities; assistance is thus divided by purpose in a single recipient institution. All assistance will benefit its anti-terrorist mission in mutually-supporting ways.

CONFIDENTIAL